

Minutes of the 127th Meeting of the Board of Corporation of Sunderland College held on Tuesday 21st March 2017 at 6.00pm in the Conference Room, City Campus

PRESENT: Mrs S Atkinson, Mr J Barnett, Ms E Bass, Mr G Blyth, Mr T Crompton, Ms A Fellows, Ms S Forster, Mrs C Gofton, Mrs A Hodgson, Mr R Lawson (Chair), Mr P McEldon, Mr J Phillips, Mr K Ramanathas, Mr R Saelzer and Ms E Thinnesen

IN ATTENDANCE: Mr N Harrett, Mr D Howells, Mr I Nixon, Ms J Quinn and Mrs H McCoy

CLERK: Ms P Veitch

The Chair welcomed Mr Ramanathas to his first meeting of the Board and introductions were made.

Bd/17/20 APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were accepted from Mr A Holmes, Mr H Kemp and Ms V Morton. There were no declarations of interest.

Bd/17/21 MINUTES OF THE PREVIOUS MEETING HELD ON 7 FEBRUARY 2017

The minutes were accepted as a true and accurate record and were signed by the Chair.

Bd/17/22 MATTERS ARISING

Bd/17/04: Complaints Bi-annual Report. Update to be deferred to the next meeting in the absence of Ms Morton.

Bd/17/04 and Bd/17/16 included within the agenda of the meeting.

It was agreed to consider the following item next.

Bd/17/26 HUMAN RESOURCES UPDATE REPORT

The Director of HRM presented the report which had previously been considered by Governors at the Resources and Capital Projects Committee on 7th March 2017. Strategies to reduce sickness absence (including consultation with recognised trades unions regarding a reduction in occupational sick pay) were discussed in detail, together with the impact on staff and cost. Governors requested that information on annual trends be incorporated within future reports

The Board

- i) Received the report; and
- ii) Requested the Director of HRM include annual trends within absence data in future reports.

The Director of HRM left the meeting and Mrs Atkinson and Mr Phillips joined the meeting at 6.15pm.

Bd/17/23 EXECUTIVE REPORT

(Redacted)

The Board:

- i) Discussed, noted and received the report; and
- ii) (Redacted)
- iii) Agreed to deem the report and minutes confidential.

Bd/17/24 MERGER WITH HARTLEPOOL SIXTH FORM COLLEGE (HSFC)

(Redacted)

The Board:

- i) Discussed and received the report; and
- ii) Agreed to deem the report and minute confidential.

Bd/17/25 GIFTS AND HOSPITALITY ANNUAL REPORT

The Clerk reminded Governors that the Bribery Act 2010 lays down specific offences which includes failing to prevent bribery by not having 'adequate procedures'. All Governors and staff are required to declare the receipt of hospitality and/or gifts received arising from the performance of their College duties. The Gifts and Hospitality procedures are detailed in the Financial Regulations and underpinned by the Anti-Bribery and Corruption Policy (detailed in the appendix).

In addition all Governors must complete an annual declaration. For the 5 month period between November 2016 and March 2017, there were 4 declarations valued over £25. There were no declarations of gifts or hospitality offered or declined by the College.

The Board:

- i) Received the report.

Bd/17/27 RISK MANAGEMENT

Governors discussed the Strategic Risk register which has been updated following a review by the Senior Leadership Team in light of the changing environment and current circumstances. The Register takes account of the 10 most significant strategic risks.

Governors considered the proposed merger and agreed the merger should not be incorporated until due diligence is completed and the Board has approved a decision to merge. The frequency of reporting to the Board was discussed and it was noted that the risk register is considered bi-annually by the Audit Committee and is next due in June. Governors resolved to consider further at the Governor training workshop on 5th April.

The Board:

- i) Noted and commented on the updated Strategic Risk Register.

Mr Crompton withdrew from the meeting at 7pm.

Bd/17/28 STRATEGIC PLAN

Throughout 2014-17 the College has been operating in an externally driven, turbulent environment. In addition to taking strategic decisions linked to estate redevelopment, this has meant that not all aspects of the plan could be realised. Governors discussed the information provided in the appendix which detailed performance against each strategic ambition. Whilst the College has positioned itself as one of the strongest colleges in the North East and has not detracted from its core mission 'to transform lives through teaching, learning and skills development', Governors also recognised the importance of recording data in order to report on key performance indicators.

The Principal advised that the Plan for 2018-2021/2 is in the process of being developed. Key dates and engagement activities have been planned which incorporates consultation with students, staff, external stakeholders, senior leadership team and Governors. The anticipated approval and launch date is January/February 2018.

The Board:

- i) Received the report; and
- ii) Agreed to deem the report confidential.

Bd/17/29 ENGLISH/MATHS UPDATE

Governors discussed the information provided, noting that retention is still very strong. Attendance levels are showing some improvements in comparison to last year but remain an area for improvement. Governors wanted to know whether the College is taking the opportunity to work in partnership with local schools to jointly tackle the challenges faced in this area. It was confirmed that the College still has strong links with the partner schools and regular meetings are held with Head Teachers.

As the Memorandum of Understanding with partner schools is coming to an end, the senior leadership team is reviewing the effectiveness of funding arrangements going forward. A report will be presented at a future meeting. Mrs Hodgson offered her support in her capacity as Link Governor.

The Board:

- i) Received the report.

Bd/17/30 HIGHER EDUCATION UPDATE

The Board

- i) Received the report; and
- ii) Agreed to deem the report confidential.

Bd/17/31 ENROLMENT UPDATE

The Board:

- i) Received the report; and
- ii) Agreed to deem the report confidential.

Mr Crompton returned to the meeting at 7.10pm

Bd/17/32 APPRENTICESHIP PERFORMANCE UPDATE

Governors reviewed the update on apprenticeship in year performance and activity including past planned end dates, unknowns, income, Smart Assessor and overdue reviews. Governors concluded that the College has made significant improvement since the Ofsted inspection.

The Board:

- i) Noted that directly delivered apprenticeship enrolments are up by 24% compared to last year;
- ii) Noted the strong focus on achievement rates and in year retention for 16/17;
- iii) Noted the progress on preparing for the Apprenticeship Reforms including the Trailblazers and the Levy; and
- iv) Agreed to deem the report confidential.

Bd/17/33 SUBCONTRACTING/PARTNERSHIPS TERMLY UPDATE

The Board:

- i) Noted the issues and risks, and the actions being taken to manage the issues and mitigate risk.
- ii) (Redacted)
- iii) (Redacted)
- iv) Agreed to deem the report and minute confidential.

Bd/17/34 LINK GOVERNOR FEEDBACK

The Board:

- i) Noted that the Link Governor Scheme is scheduled to be considered by the Governance Committee in June.

Bd/17/35 BUDGETARY CONTROL STATEMENTS

There is an operating surplus for the six months to 31 January 2017 of £200k, which is in line with the budgeted figure. The College financial forecast for 31 July 2017 indicates the College will be in satisfactory financial health. The key positive aspect is a strong operating position characterised by pay costs at approximately 61% of income, administrative costs being a relatively low proportion of total costs and operating costs as a whole being under tight control.

Borrowing remains relatively high at 53.4% of income - albeit that this is in lieu of repayment of asset disposal proceeds - and the net current ratio is still relatively low, though strong cash generation from operations will see this position gradually ease over the future financial planning period.

Governors noted that the College has modelled its performance against its banking covenants and is in full compliance with them. In response to a Governor's question, the Vice Principal Finance and Resources confirmed that cash flow is being monitored on a daily basis with all income streams being expedited.

The Board

- i) Discussed and received the report.

It was agreed to consider the following item next.

BD/17/37 APPOINTMENT AND REMUNERATION OF EXTERNAL AUDITORS

(Redacted)

The Board:

- i)-iv) (Redacted)
- v) Agreed to deem the minute confidential.

Bd/17/38 APPROVED MINUTES FROM COMMITTEES

The Board received the minutes.

The Assistant Principal (English, Maths and Employability) left the meeting at this point. In accordance with Standing Order 18, the Board resolved that the Staff and Student Governors and Mr Ramanathas be requested to withdraw prior to discussion of the following item.

Bd/17/36 ESTATES AND FINANCING UPDATE

(Redacted)

The Board:

- i) Noted, discussed and received the report.

Bd/17/39i MINUTES OF SPECIAL BOARD MEETING HELD 23 FEBRUARY 2017 (CONFIDENTIAL)

The minutes were accepted and signed by the Chair.

Bd/17/40 ANY OTHER BUSINESS

There was none.

Bd/17/41 DATE, TIME AND VENUE OF NEXT MEETING

The next scheduled meeting will take place at 6pm on Thursday 25th May 2017 in the Conference Room at City Campus.

The meeting closed at 8.15pm